

Singapore Budget 2022

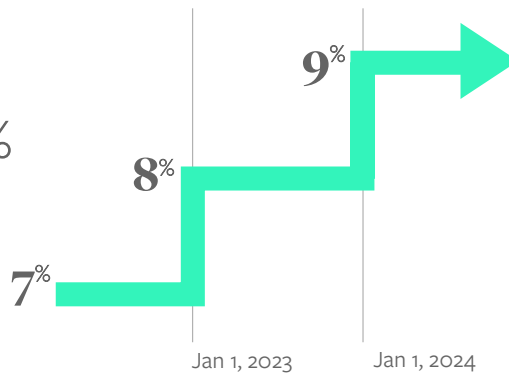
“Charting Our New Way Forward Together”

Goods and services tax

GST to increase

from **7%** to **9%**

The GST increase will be delayed to 2023 and the increase will be staggered over two steps



Property tax rates

10-20%
increase to
12-36%



Non-owner-occupied residential properties, including investment properties



4-16%
increase to
6-32%



For annual value in excess of S\$30,000 for **owner-occupied residential properties**

This increase will impact the top **7% of owner-occupied residential properties**, and the increase will be higher for properties in the top end

Foreign workers

Employment pass

Minimum qualifying monthly salary for new EP applicants*:
(from Sep 2022)

S\$4,500
increase to
S\$5,000

Financial services sector for new EP applicants*:
(from Sep 2022)

S\$5,000
increase to
S\$5,500

The Dependency Ratio Ceiling

Maximum ratio of foreign workers to the total workforce that a company in the stipulated sector may hire:

1:7
reduce to
1:5

Work permit policies in the construction and process sectors will be adjusted

S pass

Minimum qualifying monthly salary for new applicants:
(from Sept 2022)

S\$2,500
increase to
S\$3,000

Financial services sector minimum qualifying monthly salary introduced:

S\$3,500

To better manage the flow of S Pass holders, the Government will progressively raise the **Tier 1 levy** by 2025:

S\$330
increase to
S\$650

*The qualifying salaries for older applicants will be raised in tandem.

Personal taxes



The top marginal personal income tax rate will be increased with effect from the Year of Assessment 2024

23% Increase in tax for the portion of chargeable income in excess of S\$500,000 up to S\$1 million

24% Increase in tax for the portion of chargeable income in excess of S\$1 million

Both up from 22% on 17 Feb 2022.

Going green

Carbon tax

2023

Current rate of S\$5 per tonne to remain until 2023

2024 and 2025

Raised to S\$25 per tonne

2026 and 2027

Raised to S\$45 per tonne

by 2030




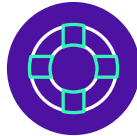





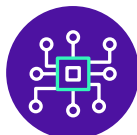

S\$50 - S\$80 per tonne

Green bonds



The Government aims to issue up to **S\$35 billion of green bonds** by 2030 to fund public sector green infrastructure projects

Brief highlights

Under consideration	New initiatives			
 <p>Minimum Effective Tax Rate (“METR”) Top-up Tax being explored by IRAS</p>	 <p>Singapore Global Executive Programme Talent development</p>	 <p>Singapore Global Enterprises Initiative Assisting local enterprises in overseas expansion</p>	 <p>Small Business Recovery Grant One-off cash support</p>	 <p>Progressive Wage Credit Scheme Co-funding of lower-wage workers</p>
Changes	Enhancements/extensions			
 <p>Additional registration fee tier for cars OMV >\$80k, taxed at 220%</p>	 <p>Advanced Digital Solutions Up to 70% funding support for AI & Cloud solutions</p>	 <p>Grow Digital Up to 70% funding support to onboard B2B/B2C platforms</p>	 <p>Extension of the following tax incentives to 31 December 2025</p> <ul style="list-style-type: none">income from project debt securitiesforeign-sourced income from offshore infrastructure projects / assets <p>The above are subject to qualifying criteria</p>	
	 <p>TechSkills Accelerator Growing development teams / job opportunities / upskilling digital workforce</p>	 <p>Extension of Withholding Tax exemption for financial sector to 31 December 2026</p>		

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